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DCI/IC 74-2367

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Lieutenant General Daniel O. Graham Director, Defense Intelligence Agency Washington, D. C. 20301

Dear Danny:

I have reviewed carefully DIA's views on revision of the Watch mechanism which forwarded to me in your absence. In general outline, they coincide very closely with my own—in fact, my only serious reservation concerning them is the propriety of my delegating to any one element of the Community a responsibility that is clearly national in scope and of such critical importance. There is also the practical difficulty of my being able to provide strategic warning to WSAG effectively if I am at one remove from the mechanism designed to support me in this function.

At the same time, I fully agree with the proposition that the strategic warning mechanism should be intimately tied to the warning mechanisms and procedures of the Department of Defense.

It seems to me that both these requirements can be satisfied by my appointment of one of your deputies, and I have in mind specifically as the DCI representative in the USIB areas for strategic warning. In this capacity, would have the same general reporting responsibilities to me as are carried out by other USIB committee chairmen, regardless of their primary agency affiliation. He would be responsible for the day-to-day operation of the NMIC, and I would envisage providing him a senior CIA substantive analyst who would serve as his deputy on matters pertaining to strategic warning. Further, to enhance its capabilities in political and economic areas, the NMIC would be augmented by senior analysts or other representatives from CIA, NSA and the State Department.

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I think we are fully agreed that the mission of this big "W" warning mechanism should have a relatively narrow focus. The language I favor, and which I understand has been substantially agreed to by your representatives, is that the strategic warning function embraces responsibility "for providing the earliest possible warning of military action against the U.S. or its allies, particularly by the USSR or the PRC, and for providing warning of military action by a major adversary in any area in which U.S. interests are such that U.S. forces are likely to become involved in a combat role." Warning of all other critical developments which should be brought to the attention of the WSAG--whether military, technological, political or economic--would not be the task of this group. Provision of such warning (with a small "w") would be the function of Alert Memoranda, which I would have produced under the direction of the NIOs and by normal current intelligence reporting.

Once the strategic warning mechanism is operating, I would like to have a group headed by the D/DCI/IC and including representatives of the Community review it periodically and report to the USIB.

I would welcome your further views and have asked Sam Wilson to work with you in further development of the approach this letter outlines.

Sincerely,

/s/ Bill

W. E. Colby

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DCI/IC/CS/S/
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Bill:

This is proposed response to Danny Graham's letter (Tab A) on revision of Watch mechanism. I believe I have captured the essence of the points we agreed upon at the 22 Oct meeting with you on this subject. At any rate, this is an attempt to move the ball ahead another 10 yards and at this particular point does not commit the Community to the details of a finalized arrangement. The next step, assuming Graham's positive response to our thinking, would be the preparation and staffing of a DCID, along with an LOI to Faurer.

To ensure maximum understanding and acceptance of our concept for the strategic warning mechanism, I did staff attached letter informally with the members of the NSCIC Intelligence Panel (Proctor, Tighe, Wolff/NSA, McAfee/State). All but State are aboard. State rep, in effect, wrings his hands and passes at this juncture.

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